



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

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<b>Drafting Number:</b>	LLS 22-0791	<b>Date:</b>	February 11, 2022
<b>Prime Sponsors:</b>	Sen. Gardner Rep. Pico	<b>Bill Status:</b>	Senate SVMA
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**Bill Topic:** PROHIBIT LABOR ACTIONS AGAINST PUBLIC EMPLOYERS

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**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government/School District
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill prohibits public employees or employee organizations from involvement in a labor action and creates a legal remedy. It may increase state and local workload and state revenue on an ongoing basis beginning in FY 2022-23.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the introduced bill.

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## Summary of Legislation

The bill prohibits all public employees and employee organizations from direct or indirect involvement in a labor action.

In the event of public employee or employee organization involvement or threat of involvement in a prohibited labor action, a public employer is authorized to seek an injunction from the district court. Failure to comply with an injunction constitutes contempt of court, punishable by daily fines of up to \$500 per individual and \$10,000 per organization at the court's discretion.

With exceptions based on court determinations:

- public employees found to be in contempt of court must be terminated by their employer and made ineligible for public employment for one year; and
- employee organizations found in contempt of court must be decertified, cease to represent or receive dues from public employees, and wait a year to become recertified.

## **Background**

The Colorado Partnership for Quality Jobs and Services Act prohibits a union from threatening, facilitating, supporting, or causing a state employee to engage in a strike, work stoppage, work slowdown, group sick out, or action that disrupts on a widespread basis the day-to-day function of the state.

The Colorado Labor Peace Act and Industrial Relations Act, which authorizes the Department of Labor and Employment to oversee certain collective bargaining unit activity, specifically excludes the state or its political subdivisions.

## **State Revenue and Expenditures**

District courts in the Judicial Department may see an increase in workload under the bill, which may result in a corresponding increase in revenue from fees and penalties, which are subject to TABOR. There were 335 injunctive relief cases filed statewide in FY 2020-21, accounting for less than one percent of all district civil filings. It is assumed that injunctions and contempt of court violations under the bill will be minimal and no change in appropriations is required. Since fines are at the discretion of the court, the state revenue impact cannot be determined.

## **Local Governments and School Districts**

For local government entities, including school districts, where a strike occurs or is imminent, costs will increase for those entities to file an injunction in district court. Should a collective bargaining agreement be null and void as a result of a employee organization's involvement in a strike, the bill will increase local government entity workload to adjust procedures and determine employee compensation.

## **Technical Note**

The bill requires immediate termination of a public employee if the employee conducts prohibited activities under the bill, which may conflict with existing state personnel system provisions that allow for hearings or corrective action before termination.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Counties	District Attorneys	Governor
Information Technology	Judicial	Labor
Law	Municipalities	Personnel
Regional Transportation District	School Districts	Special Districts